



Bart L. Graham
Commissioner

State of Georgia
Department of Revenue

Frank O'Connell
Director

Suite 15300
1800 Century Boulevard
Atlanta, Georgia 30345
(404) 417-2100

NOTICE
(Notice ATD 2010-15)

**RE: Proposed Rules to the Department of Revenue, Alcoholic Beverages,
Chapter 560-2-15.**

TO ALL INTERESTED PERSONS AND PARTIES:

In compliance with O.C.G.A. § 50-13-4, the Georgia Department of Revenue gives notice that it proposes to amend Chapter 560-2-15 of the Rules and Regulations of the State of Georgia by proposing:

- 560-2-15-.01, entitled "Jurisdiction over Territory Ceded to United States."
- 560-2-15-.02, entitled "Federal Instrumentality as First Purchaser."
- 560-2-15-.03, entitled "Military Purchases."
- 560-2-15-.04, entitled "Tax-Paid Alcoholic Beverages."
- 560-2-15-.05, entitled "Restrictions to Military Reservations."
- 560-2-15-.06, entitled "Consuls."

Attached with this notice are exact copies and synopses of the proposed Rules. The proposed Rules are being adopted under the authority of O.C.G.A. §§ 3-2-2 and 3-2-6.

The Department of Revenue shall consider the adoption of the above-referenced proposed Rules at 10:00 a.m., on Wednesday, March 31, 2010 in Suite 15200 of the Department's headquarters at 1800 Century Blvd. NE, Atlanta, GA 30345-3205.


The Department must receive all comments regarding the above-referenced proposed Rules from interested persons no later than 10:00 a.m. on Wednesday, March 31, 2010.

Written comments must be sent to: Commissioner, Georgia Department of Revenue, 1800 Century Blvd. NE, Suite 15300, Atlanta, GA 30345-3205.

Electronic comments must be sent to regcomments@dor.ga.gov. Facsimile comments must be sent to (404) 417-6651.

Please reference "Notice Number ATD 2010-15" on all comments.

Dated: February 22, 2010

A handwritten signature in black ink, appearing to read "Bart L. Graham", written over a horizontal line.

Bart L. Graham
Commissioner
Department of Revenue

SYNOPSIS

RULES OF DEPARTMENT OF REVENUE ALCOHOL AND TOBACCO DIVISION

CHAPTER 560-2-15 MILITARY & CONSULS

560-2-15-.01 Jurisdiction over Territory Ceded to United States – Military & Consuls.

- This Rule provides the authority for the Department's jurisdiction over territory ceded to federal authorities.
- An amendment to the Rule reflects the change of the number assigned to this rule.
- Only grammar or format changes are incorporated in the Rule.
- This Rule was last amended in 1982.

**RULES
OF
DEPARTMENT OF REVENUE
ALCOHOL AND TOBACCO DIVISION**

**CHAPTER 560-2-15
MILITARY & CONSULS**

**560-2-15-.01 Jurisdiction over Territory Ceded to
United States – Military & Consuls.**

The Commissioner asserts the right to regulate and control the manufacture, sale and transportation of Alcoholic Beverages within Georgia, including over any territory within the historical boundaries of the State of Georgia but ceded to the United States.

Authority: O.C.G.A. § 3-2-2.

SYNOPSIS

RULES OF DEPARTMENT OF REVENUE ALCOHOL AND TOBACCO DIVISION

CHAPTER 560-2-15 MILITARY & CONSULS

560-2-15-.02 Federal Instrumentality as First Purchaser – Military & Consuls.

- An amendment to the Rule reflects the change of the number assigned to this rule.
- Only Grammar or format changes are incorporated in the Rule.
- This Rule was last amended in 2006.

**RULES
OF
DEPARTMENT OF REVENUE
ALCOHOL AND TOBACCO DIVISION**

**CHAPTER 560-2-15
MILITARY & CONSULS**

**560-2-15-.02 Federal Instrumentality as First
Purchaser -- Military & Consuls.**

(1) The tax imposed by the Act is an excise tax levied upon the first sale, use or possession of Alcoholic Beverages in Georgia, and where a federal instrumentality is the first purchaser, the transaction would not be taxable.

(2) Federal instrumentalities who wish to sell Alcoholic Beverages to authorized patrons in quantities in excess of those authorized by O.C.G.A. § 3-3-8 for use and consumption outside the boundaries of the federal instrumentality are authorized to purchase tax paid Alcoholic Beverages from licensed Georgia Wholesalers; however, no refund of the tax may be made on such transactions.

Authority: O.C.G.A. § 3-2-2

SYNOPSIS

RULES OF DEPARTMENT OF REVENUE ALCOHOL AND TOBACCO DIVISION

CHAPTER 560-2-15 MILITARY & CONSULS

560-2-15-.03 Military Purchases – Military & Consuls.

- An amendment to the Rule reflects the change of the number assigned to this rule.
- Only grammar or format changes are incorporated in the Rule.
- This Rule was last amended in 1994.

**RULES
OF
DEPARTMENT OF REVENUE
ALCOHOL AND TOBACCO DIVISION**

**CHAPTER 560-2-15
MILITARY & CONSULS**

560-2-15-.03 Military Purchases – Military & Consuls.

(1) Distilled Spirits.

(a) Military establishments acting as federal instrumentalities are hereby authorized to purchase tax-free Distilled Spirits from licensed Georgia Wholesalers and the Wholesalers are authorized to sell and deliver Distilled Spirits to authorized purchasers from stock on hand subject to the following procedures:

1. Purchase orders submitted by federal instrumentalities must be maintained on file at the Wholesaler's Place of Business for auditing and inspection by the Department.

(i) No credits to Wholesalers for tax-free Distilled Spirits sold to federal instrumentalities shall be given unless required documents to substantiate the sale and delivery are available upon audit or inspection at the Wholesaler's Place of Business.

2. The Wholesaler shall deliver the Distilled Spirits only to the federal instrumentality through an authorized officer who shall sign for the liquor received and who shall obligate the federal instrumentality for payment in full for the order.

(i) The sales invoice signed by the authorized receiving officer shall be returned and filed at the Wholesaler's Place of Business.

(2) Malt Beverages.

(a) Manufactures, Brokers, Importers and Shippers of Malt Beverages are authorized to ship Military Beer to Georgia licensed Wholesalers for distribution and sale to authorized military installations.

(b) No brewer, Manufacturer, Importer or Broker of Malt Beverages, or Representatives shall sell, offer to sell, ship, or cause to be shipped or solicit for shipment or sale, any Military Beer within or into Georgia except to a licensed distributor and in accordance with the rules and regulations of the Commissioner.

(3) Wine.

(a) Purchase orders for tax-free Wines shall be transmitted through a licensed Wholesaler and that Wholesaler is authorized to sell and deliver the Wines to authorized purchasers from stock on hand subject to the following procedures:

1. Purchase orders submitted by federal instrumentalities must be maintained on file at the Wholesaler's Place of Business for audit and inspection by the Department.

2. The Wholesaler shall deliver the ordered Wines only to an officer authorized to receive the Wines, and the receiving officer shall sign for the Wines received.

(i) The sales invoice signed by the authorized receiving officer shall be returned and filed at the Wholesaler's Place of Business.

3. No credits to the Wholesaler for tax-free Wines sold to federal instrumentalities shall be given unless required documents to substantiate the sale are available upon audit or inspection at the Wholesaler's Place of Business.

Authority: O.C.G.A. § 3-2-2.

SYNOPSIS

RULES OF DEPARTMENT OF REVENUE ALCOHOL AND TOBACCO DIVISION

CHAPTER 560-2-15 MILITARY & CONSULS

560-2-15-.04 Tax-Paid Alcoholic Beverages – Military & Consuls.

- An amendment to the Rule reflects the change of the number assigned to this rule.
- Only grammar or format changes are incorporated in the Rule.
- This Rule was last amended in 1982.

**RULES
OF
DEPARTMENT OF REVENUE
ALCOHOL AND TOBACCO DIVISION**

**CHAPTER 560-2-15
MILITARY & CONSULS**

**560-2-15-.04 Tax-Paid Alcoholic Beverages –
Military & Consuls.**

(1) Licensed Alcoholic Beverage Wholesalers may sell tax-paid Alcoholic Beverages to military establishments authorized to purchase Alcoholic Beverages.

(2) No credit or refund of the tax shall be made to Alcoholic Beverages Wholesalers for the sale of tax-paid Alcoholic Beverages to military establishments.

Authority: O.C.G.A. §3-2-2.

SYNOPSIS

RULES OF DEPARTMENT OF REVENUE ALCOHOL AND TOBACCO DIVISION

CHAPTER 560-2-15 MILITARY & CONSULS

560-2-15-.05 Restrictions to Military Reservations – Military & Consuls.

- An amendment to the Rule to reflect change of the number assigned to this rule.
- Only grammar or format changes are incorporated in the Rule.
- This Rule was last amended in 2006.

**RULES
OF
DEPARTMENT OF REVENUE
ALCOHOL AND TOBACCO DIVISION**

**CHAPTER 560-2-15
MILITARY & CONSULS**

**560-2-15-.05 Restrictions to Military Reservations
– Military & Consuls.**

(1) Military Liquors, Military Beer, and Military Wine purchased pursuant to these regulations shall be sold or purchased on military reservations by persons authorized to sell or purchase Alcoholic Beverages.

(2) The possession of Military Liquors, Beer, or Wine off the military installation in quantities in excess of those authorized by O.C.G.A. § 3-3-8 shall constitute the possession of non-tax paid Alcoholic Beverages subject to all laws and regulations relating to non-tax paid Alcoholic Beverages.

Authority: O.C.G.A. § 3-2-2.

SYNOPSIS

RULES OF DEPARTMENT OF REVENUE ALCOHOL AND TOBACCO DIVISION

CHAPTER 560-2-15 MILITARY & CONSULS

560-2-15-.06 Consuls - General Provisions – Military & Consuls.

- The purpose of this Rule is to provide a procedure for extending certain exemptions guaranteed by these treaties to consular officers located in the State of Georgia.
- This Rule provides for when a consular office may purchase alcoholic beverages that is exempt from tax.
- This Rule provides for changes in the Code.
- This Rule was amended in 2006.

**RULES
OF
DEPARTMENT OF REVENUE
ALCOHOL AND TOBACCO DIVISION**

**CHAPTER 560-2-15
MILITARY & CONSULS**

560-2-15-.06 Consuls - Military & Consuls.

(1) This Regulation is promulgated pursuant to the Vienna Convention on Consular Relations, of April 24, 1963, 21 U.S.T. 77, T.I.A.S. 6820, and other treaties in force between the United States of America and foreign states on the subject of consular relations.

(a) The purpose of this Regulation is to provide a procedure for extending certain exemptions guaranteed by these treaties to consular officers located in Georgia.

(2) The tax imposed by the Act is an excise tax levied upon the first purchase or sale of Alcoholic Beverages imported into Georgia.

(a) Where a consular officer imports Alcoholic Beverages directly from abroad or from a federally bonded warehouse for the official use of the consular post or for the personal use of the consular officer or members of his family forming part of his household, the transaction is exempt from Georgia Alcoholic Beverages excise tax under the multilateral consular convention referred to in paragraph (1) of this Regulation if the consular officer's sending State is a party to the convention or another treaty with the United States of similar import.

(3) Consular Officers are authorized to purchase and import directly from abroad and from federally bonded warehouses located in the United States Alcoholic Beverages free from Georgia Alcoholic Beverage excise tax, under the

procedures and subject to the restrictions set forth in this Regulation.

(a) Consular Officers may purchase tax-free Alcoholic Beverages directly from abroad by notifying the Department of the proposed importation on a form provided by the Department.

(b) Consular Officers may purchase tax-free Alcoholic Beverages from a federally bonded warehouse by submitting purchase orders to the Alcohol and Tobacco Division, on a form provided by the Department, executed by the head of the consular post making the purchase.

1. Upon approval of the order by the Department, the Department shall forward the order to the designated federally bonded warehouse with authorization for shipment of the Alcoholic Beverage directly to the consular post.

(c) Shipment by the federally bonded warehouse shall be only to the consular premises and shall be accomplished in such manner and under such documentation as the Department may require.

(4) The Commissioner exercises the plenary regulatory power over Alcoholic Beverages granted to the State of Georgia by the Twenty-First Amendment to the Constitution of the United States, and the authority of Consular Officers to import tax-free Alcoholic Beverage is expressly conditioned upon compliance with the requirements of this Regulation, including following the requirements that the Alcoholic Beverages which may be imported tax-free under this Regulation must be intended for consumption only and shall not exceed the quantity necessary for direct utilization by the persons concerned.

(5) In the event the Alcoholic Beverage product desired to be purchased is available from a Georgia licensed Wholesaler and is one in which excise taxes are collected and paid by a reporting system, the Commissioner may authorize tax-free purchases from such licensed Georgia Wholesalers.

Authority: O.C.G.A. §§ 3-2-2 and 3-2-6.